

PART 2054 - EMPLOYMENT

Subpart L - Restrictions on Employment of Farmers Home Administration  
Borrowers and Sons and Daughters of Borrowers

§2054.551 Policy for employment of borrowers.

The Farmers Home Administration (FmHA) does not (except for Single Family Housing (SFH) borrowers and County Committee members) usually employ persons who have a loan indebtedness with the Agency. Use written inquiry or personal interview to find out if applicants for employment are FmHA borrowers.

(a) Exceptions. Eligibles certified from Office of Personnel Management (OPM) Registers who are also borrowers can be selected for employment if:

- (1) The person has Veteran's Preference and no other eligible can be selected under OPM Rules and Regulations.
- (2) The person is the only certified eligible and is highly acceptable, and the vacant position must be filled immediately.

(b) Restrictions. Borrowers employed by FmHA:

- (1) Must (other than SFH borrowers and County Committee members) refinance or liquidate their FmHA loan indebtedness as soon as possible under applicable program regulations. SFH borrowers are limited to 502 RH loans (see §1944.39 of Subpart A of Part 1944).
- (2) Must conform to the provisions of RD Instruction 1900-D.
- (3) Cannot (other than SFH borrowers or County Committee members) receive additional FmHA loans during the period of employment. SFH borrowers are limited to 502 RH loans (see §1944.39 of Subpart A of Part 1944).

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Personnel  
Employment

RD Instruction 2054-L

§2054.552 Employment of sons and daughters of borrowers.

Sons or daughters of FmHA borrowers may be employed, but may not process or service their parent's FmHA assistance, under RD Instruction 1900-D. State Directors must assure compliance with this requirement.

§2054.553 Definitions. [Reserved]

§2054.554 Marriage of employee to a borrower.

An employee who marries an FmHA borrower may retain his or her position, but the restrictions of §2054.551 (b) of this subpart and the provisions of RD Instruction 1900-D must be applied.

§§2054.555 - 2054.600 [Reserved]

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